



TRANSFER OF INDUSTRIAL COMMISSION TO NC DEPARTMENT OF INSURANCE

Transfer of Industrial Commission to NC Department of Insurance:

- S.L. 2017-57 §15.19A transferred the Industrial Commission to DOI effective July 1, 2017.
- DOI, the Industrial Commission, Commerce, OSBM and the State Controller's Office are targeting November 1, 2017 for complete budget transition.

What has happened since 7/1/17:

- Industrial Commission and DOI leadership have met, and have designated smaller working groups with the Department of Commerce, OSBM and the State Controller for specific areas (ex. HR, Budget).
- DOI staff is currently providing administrative services, which were previously performed by the Department of Commerce, in the areas of Human Resources, Budget, and Communications. DOI Internal Audit services will be offered.
- Ongoing communication with Information Technology staffs – remain independent but look for shared technology opportunities and efficiencies.
- Regional Office Consolidation – Industrial Commission Elizabethtown Office has been consolidated with DOI Wilmington; and Industrial Commission staff in Charlotte will be consolidating with DOI Charlotte.

PRESENTATION TO THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON GENERAL GOVERNMENT

Charlton L. Allen, Chairman
North Carolina Industrial Commission
October 3, 2017

Industrial Commission Overview: By the Numbers

- Roughly 153 positions
 - 6 Commissioners
 - 21 Deputy Commissioners
 - 8 Special Deputy Commissioners
 - 12 Sections and Divisions
- Approximately \$14M operating budget for FY 2016-17 with additional costs, such as Tort Claims and Compensation to Persons Erroneously Convicted of Felonies

Industrial Commission Overview: Current Commissioners

- Charlton L. Allen, Chairman
- Yolanda K. Stith, Vice-Chairman
- Philip A. Baddour, III
- Linda Cheatham
- Christopher C. Loutit
- Tammy R. Nance

Industrial Commission Overview: Commissioners' Current Terms

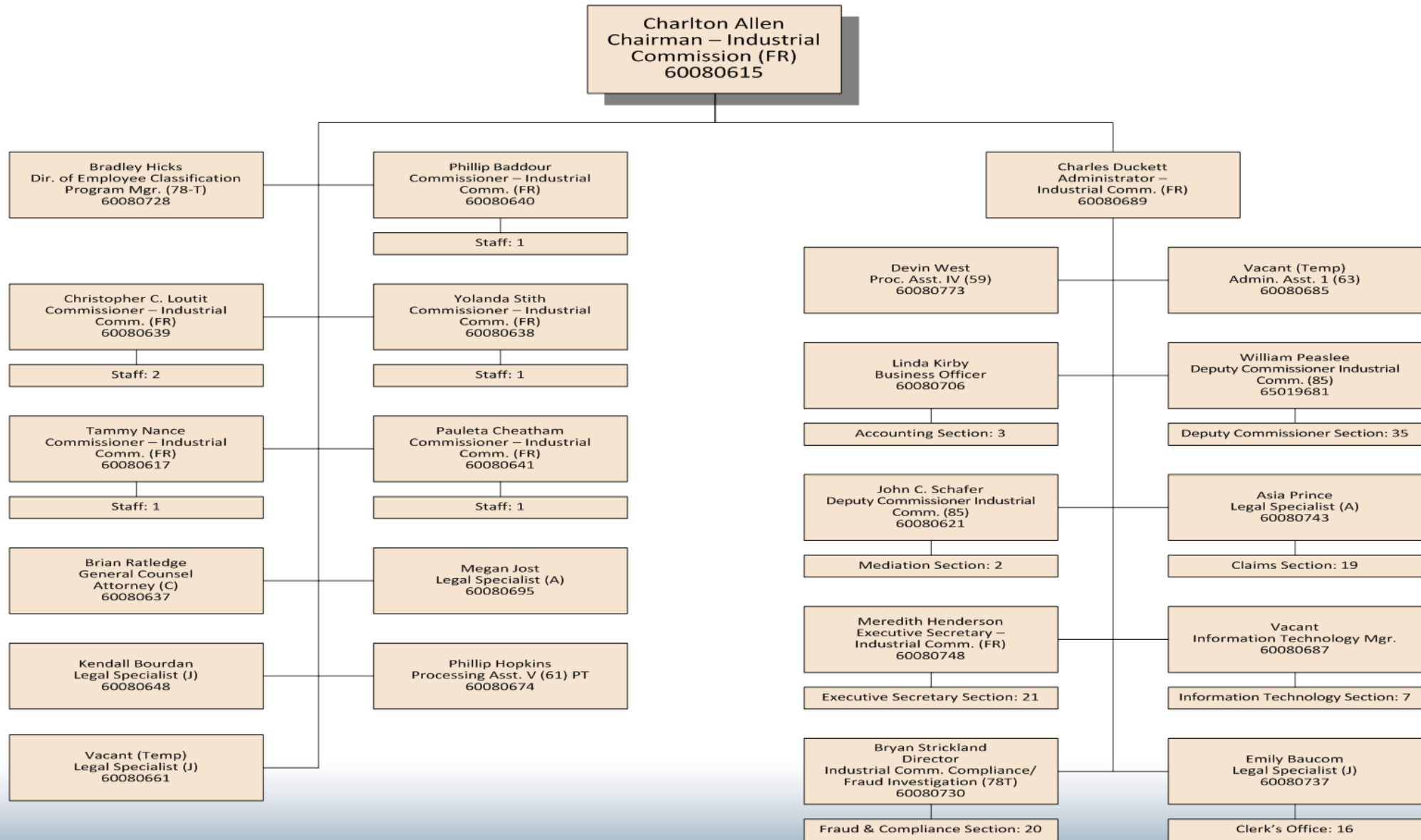
- Charlton L. Allen, Chairman
 - Commissioner term expires in 2020
 - Four year term as Chairman expires on December 29, 2020
- Yolanda K. Stith, Vice-Chairman
 - Commissioner term expires in 2025
 - Four year term as Vice-Chairman expires on December 29, 2020
- Philip A. Baddour, III
 - Commissioner term expires in 2023
- Linda Cheatham
 - Commissioner term expires in 2022
- Christopher C. Loutit
 - Commissioner term expires in 2021
- Tammy R. Nance
 - Commissioner term expires in 2018

Industrial Commission Overview: Deputy Commissioners

- Session Law 2014-100 amended N.C. Gen. Stat. § 97-79(b) to make Industrial Commission Deputy Commissioners subject to appointment to six-year terms.
- The Deputy Commissioners are appointed by the Chairman of the Industrial Commission.

Industrial Commission Overview: Deputy Commissioners

- All Deputy Commissioners at the Industrial Commission will be up for reappointment between 2021 and 2023.
 - 17 terms expire between February 2021 and February 2022
 - 1 term expires in June 2022
 - 2 terms expire in December 2022
 - 1 term expires in 2023



Industrial Commission Overview: Mission

- The North Carolina Industrial Commission is a quasi-judicial agency of the State of North Carolina created by the General Assembly in 1929
- The Industrial Commission administers:
 - The North Carolina Workers' Compensation Act
 - The Tort Claims Act
 - The Law Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act
 - The Childhood Vaccine-Related Injury Compensation Program
 - The Compensation to Persons Erroneously Convicted of Felonies
 - Previously adjudicated claims under the Eugenics Asexualization and Sterilization Compensation Program

Industrial Commission Overview: By the Numbers (FY16/17)

- Workers' Compensation Claims Filed: 64,767
- State Tort Claims Filed: 587
- Orders Issued on Medical Motions: 2,636
- Orders on Compromise Settlement Agreements: 11,848
- Deputy Commissioner Workers' Compensation and Tort Hearings Held: 1,728
- Cases Appealed to the Full Commission: 424

- Cases Referred to Mediation: 9,884
- Mediation Settlement Rate: 73.81%

Industrial Commission Overview: By the Numbers (FY16/17)

- Fraud Cases Reported: 3,317
- Insurance Compliance Investigations: 5,311
- Penalty and Contempt Matters Resolved at the Deputy Commission Level: 895
- Penalties Collected: \$2,088,371